MULTIMEDIA UNIVERSITY

STUDENT IDENTIFICATION NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2016/2017

TFA2141 – FINANCIAL ACCOUNTING FOR MANAGERS

(All sections / Groups)

09 MARCH 2017
09:00 – 11:00
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This Question paper consists of 6 pages with 4 Questions only.

2. Attempt **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.

3. Please write all your answers in the Answer Booklet provided.

QUESTION 1

At the beginning of the year 2016, Throne Sdn Bhd showed a balances of Cash account RM5,000; Inventory account RM1,000; and Capital account RM6,000. During the month, the following transactions were completed during January 2016.

Jan 4	Purchased goods and inventories from Daenerys Co. RM1,500, terms 1/10, n/30.
Jan 6	Paid freight on Daenerys Co. purchase RM100
Jan 8	Sold goods to Sansa Ent. on credit RM900, terms n/30.
Jan 10	Goods return worth RM100 to Daenerys Co.
Jan 11	Purchased goods and inventories from Jon Snow Ent for cash RM300.
Jan 13	Paid Daenerys Co. in full.
Jan 14	Purchased goods and inventories from Arya Ent. RM1,800, terms 2/10, n/60.
Jan 15	Received cash refund of RM80 from Jon Snow Ent for damaged goods that was returned.
Jan 17	Paid freight on Arya Ent. purchase RM50.
Jan 18	Sold goods to Tyrion Sdn Bhd RM3,000, terms n/30.
Jan 20	Received cash from Sansa Ent. in settlement of their accounts.
Jan 21	Paid Arya Ent in full.
Jan 27	Goods worth RM500 return from Tyrion Sdn Bhd due to not following the specification.
Jan 30	Received cash payments from Tyrion Sdn Bhd in settlement of their account.

Required:

a) Assuming the company applying periodic method, journalise the January transactions.

(15 Marks)

b) Prepare ledger ('T' accounts) for cash, Account Payable Daenerys Co, Account Payable Arya Ent., Account Receivable Sansa Ent., and Account Receivable Tyrion Sdn Bhd.

(10 Marks)
Total: 25 Marks

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QUESTION 2

Given below are the Bank Statement and Cash Book of Eng Enterprise for the month of August 2016

Cash Book

Date	Details	RM	Date	Details	Check No.	RM
2016 Aug			2016 Aug			
1	Balance b/d	10,000	4	Miscellaneous	558591	580
3	Sales	3,750	7	Insurance	558592	1,200
8	Commission	250	16	Purchases	558593	1,050
17	Ang Shop	550	20	General Expenses	558594	565
25	Pak Putra	680	27	Mun Ent.	558595	1,850
29	Manton	450	29	Alvin Ent.	558596	780
30	Ariff & Co.	950	31	Balance c/d		10,605
		16,630				16,630

Bank Statement of Eng Enterprise for August 2016

Date	Details	Cheque No.	Debit	Credit	Balance
2016			RM	RM	RM
Aug 1	Balance				10,400 CR
2	Cheque	558590	400		10,000 CR
5	Cheque	315467		3,750	13,750 CR
6	Cheque	558591	580		13,170 CR
8	Deposit			250	13,420 CR
9	Cheque	558592	1,200		12,220 CR
18	Cheque	558593	1,500		10,720 CR
19	Local clearance cheque	145698		550	11,270 CR
20	Dividend-Prima Enterprise			270	11,540 CR
25	Standing Instruction		500		11,040 CR
30	Cheque	558594	565		10,475 CR
	Bank Charges		20		10,455 CR

Additional Information

1. The value of cheque no. 558593 has been wrongly stated in the cash book
2. Manton's cheque which has been deposited on 29 August 2016 has been returned by bank

Required:

You are required to prepare the Adjusted Cash Book and Bank Reconciliation Statement of Eng Enterprise as at 31 August 2016.

Total: 25 Marks

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QUESTION 3

The following Trial Balance was extracted from the books of PTPN Trading as at 31 December 2016.

Accounts	**Debit (RM)**	**Credit (RM)**
Capital		295,980
10% Loan from AMB		50,000
Purchase and Sales	52,900	72,700
Sales Returns and Purchase Return	2,500	2,700
Rental income		10,000
Carriage inwards	1,820	
Carriage outwards	2,750	
Salaries	23,000	
Maintenance expenses	3,120	
Investment in Fixed Deposit	50,000	
Bank	20,100	
Commission income		2,800
Selling expenses	6,000	
Discount Allowed and Received	3,630	3,640
Utilities expenses	3,900	
Interest on Fixed Deposit		2,000
Insurance	1,800	
General expenses	1,500	
Allowance for Doubtful Accounts		2,000
Land and Building	150,000	
Motor Vehicle	50,000	
Office Equipment	70,000	
Accumulated Depreciation – Motor Vehicles		5,000
Accumulated Depreciation – Office equipment		7,000
Accounts Receivable and Payable	50,700	52,000
Inventory as at 1 January 2016	12,100	
	505,820	**505,820**

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Additional information:

1. Inventory as at 31 December 2016 was valued at RM10,400.

2. The following expenses were still accrued as at 31 December 2016:

Insurance expenses	RM800
Salaries expenses	RM1,000

3. Uncollectible accounts are estimated to total RM2,500 at the end of the period.

4. The following revenues were not yet received as at 31 December 2016:

Rental income	RM2,000
Commission income	RM1,200

5. Loan from AMB was taken on 1st April 2016. No interest payment has yet been made.

6. Depreciation on non-current assets as at 31 December 2016 will be charged as follows:

Motor Vehicle	20% per annum on net book value, yearly basis
Office equipment	10% per annum on cost, yearly basis

7. Wan Ahmad, the owner of the business, withdrew bank worth RM3,500 to purchase a laptop for his daughter.

8. RM500 of the interest on Fixed Deposit was not yet received at the end of the accounting period.

Required:

a) Prepare Statement of Comprehensive Income for the year ended 31 December 2016.

(13.5 marks)

b) Prepare Statement of Financial Position as at 31 December 2016.

(11.5 marks)

Total: 25 Marks

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QUESTION 4

PART A

The financial statements of JDT Trading, for the year ended Sept 30, 2016 and 2015, are presented as below:

JDT Trading
Statements of Financial Position as at Sept 30

	2016 RM	2015 RM
Assets		
Intangible and other assets	1,560,500	1,450,300
Property, plant and equipment(net)	1,890,200	1,064,700
Investments	100,000	100,000
Current assets :		
Prepaid expenses and other current assets	600,500	500,200
Inventory	850,350	755,500
Account Receivable (net)	680,800	595,500
Cash	248,150	99,300
Total assets	5,930,500	4,565,500
Equity and Liabilities		
Capital	2,950,500	2,560,500
Non-current liabilities	1,000,000	1,000,000
Current liabilities	1,980,000	1,005,000
Total equity and liabilities	5,930,500	4,565,500

JDT Trading
Statements of Comprehensive Income
For the Year Ended Sept 30

	2016 RM	2015 RM
Sales revenue	8,580,300	7,650,400
Cost and expenses		
Cost of goods sold	4,353,400	4,976,300
Selling and administrative expenses	3,757,600	2,034,000
Interest expense	150,900	120,100
Total cost and expenses	8,261,900	7,130,400
Income before income taxes	318,400	520,000
Income tax expense	79,600	130,000
Net income	238,800	390,000

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Required:
Compute the following ratio for 2016 and briefly explain your answer

a. Current ratio
b. Inventory turnover
c. Return on assets
d. Debt to total assets

(19 marks)

PART B

The following items were taken from the financial statements of Cempaka Company over a four-year period:

Item	2016	2015	2014	2013
	RM	RM	RM	RM
Net Sales	2,600,000	2,580,000	3,150,000	2,500,500
Cost of Goods Sold	1,850,000	1,680,000	2,750,000	1,780,000
Gross Profit	750,000	900,000	400,000	720,500

Required:
Using horizontal analysis and 2013 as the base year, compute the trend percentages for net sales, cost of goods sold, and gross profit. (Round up your answer to the nearest percentage). Explain the trend of the company's gross profit and whether the trend is favourable or unfavourable.

(6 marks)
Total: 25 marks

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